

TESTIMONY OF
Yale-New Haven Hospital
BEFORE THE
APPROPRIATIONS COMMITTEE

Friday, February 22, 2013

**HB 6350, AN ACT CONCERNING THE BUDGET FOR THE BIENNIUM ENDING
JUNE 30, 2015, AND OTHER PROVISIONS RELATING TO REVENUE**

On behalf of Yale-New Haven Hospital (YNHH), thank you for the opportunity to submit testimony in opposition to **HB 6350, AN ACT CONCERNING THE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2015, AND OTHER PROVISIONS RELATING TO REVENUE.**

YNHH, including Yale-New Haven Children's, Yale-New Haven Psychiatric Hospital and Smilow Cancer Hospital, strives to provide sensitive, high-quality health care to all our patients, and serves as a primary care center for thousands of New Haven-area residents and a referral center for patients from around the state and country. Since the acquisition of the Hospital of Saint Raphael in September 2012, we have grown to two campuses with nearly 12,000 employees. 3,500 of these jobs were saved when we took over the financially-troubled Hospital of St. Raphaels. And, to help meet the needs of our community, we continue to operate emergency departments and offer child and adolescent mental health services on both campuses. Our financial strength allowed us to make this acquisition **without** state or federal support and maintain access to health care in our region.

Yale-New Haven is among the State's largest employers and continues to be the State's largest provider of services to people covered by Medicaid. Reaching into the community, we enhance student learning through a number of hands-on partnerships in our schools; provide support to local non-profits; build homes with our employees through a partnership with Habitat for Humanity; and remain a sponsor of the nursing program at Gateway Community College.

If implemented as proposed, the Governor's budget will certainly impact our patients, employees, and community. Yale-New Haven Hospital is a critical safety net in the greater New Haven region. When people need high quality, safe medical and mental health care, we provide it – 24 hours a day. We have invested in communities throughout the region (i.e. East Haven, Guilford, North Haven and Norwalk) to increase access to services including emergency, primary and specialty care.

Yale-New Haven cannot continue to absorb the deep cuts that this Administration keeps leveling at us. The Governor relied on us in December in an effort to help close the gap in the state budget for sFY 2013. Of the \$103 million cut in funding, Yale-New Haven's funding was reduced by \$20.5 million.

Earlier this month, the Governor revealed his proposed budget and he is turning to us again to help close the budget gaps for sFY 2014 and 2015. This time, **Yale-New Haven's portion is \$126.7 million over the next two years.** We will have no choice but to evaluate services and programs to see where cuts can be made. Unfortunately, we'll have to look first at those programs and services that already do not cover their costs. More often than not, these are the ones that help the neediest in our communities or where we are being overwhelmed with demand because of the troubled economy. Specifically, examples include reductions in community-based outreach services such as dental and outpatient mental health programs, and other specialty services.

Jobs will inevitably be affected since our single largest cost is staffing. We will make every effort to avert layoffs, though we recognize we are no longer able to fill open positions without careful review, or create new jobs to meet the growing demand for our services.

In the midst of major changes in healthcare, and with the anticipated cuts to federal funding, the Governor's proposed cuts could not come at a worse time. As we prepare to meet the projected increasing demand for services resulting from the full implementation of the Affordable Care Act in January 2014, we are expecting an even larger reduction if Congress does not resolve their budget issue before the March 1, 2013 deadline. These cuts also hit us at a time when we are making investments in the St. Raphael's campus to restore its programs and facilities.

With the changing and unpredictable landscape, we will continue to focus on quality and patient safety initiatives, and efforts that improve care and efficiency. We fully recognize the pressures you are facing and are not asking for state support to help us prepare for the increased demand for our services; instead we are asking that you do not reduce funding at this critical time.

Please oppose the health care cuts contained in HB 6350. Our patients, employees and community are relying on you.

Thank you for your consideration.